



CORZ CLASS ACTION NOTICE: Glancy Prongay & Murray LLP Files Securities Fraud Lawsuit Against Core Scientific, Inc.

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LOS ANGELES--(BUSINESS WIRE)--Glancy Prongay & Murray LLP ("GPM"), announces that it has filed a class action lawsuit in the United States District Court for the Western District of Texas, captioned *Pang v. Core Scientific Inc., et al.*, Case No. 22-cv-1191, on behalf of persons and entities that purchased or otherwise acquired Core Scientific Inc. ("Core Scientific" or the "Company") (NASDAQ: CORZ) securities between **January 3, 2022 and October 26, 2022**, inclusive (the "Class Period"). Plaintiff pursues claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act").

Investors are hereby notified that they have **60 days from this notice** to move the Court to serve as lead plaintiff in this action.

If you suffered a loss on your Core Scientific investments or would like to inquire about potentially pursuing claims to recover your loss under the federal securities laws, you can submit your contact information at www.glancylaw.com/cases/core-scientific-inc/. You can also contact Charles H. Linehan, of GPM at 310-201-9150, Toll-Free at 888-773-9224, or via email at shareholders@glancylaw.com or visit our website at www.glancylaw.com to learn more about your rights.

On March 3, 2022, Culper Research published a report about Core Scientific alleging, among other things, that the Company had overstated its profitability and that the Company's largest customer lacked the financial resources to deliver the rigs pursuant to its contract.

On this news, Core Scientific's stock fell \$0.72, or 9.4%, to close at \$6.98 on March 3, 2022, thereby injuring investors.

On September 28, 2022, Celsius Network LLC and related entities filed a motion to enforce the automatic stay and for civil contempt in bankruptcy proceedings alleging that Core Scientific "has knowingly and repeatedly violated the automatic stay provisions" by refusing to perform its contractual obligations, threatening to terminate the companies' agreement, and adding improper surcharges.

On this news, Core Scientific's stock price fell \$0.15, or 10.3%, to close at \$1.30 on September 29, 2022, thereby injuring investors.

On October 27, 2022, before the market opened, Core Scientific disclosed that "given the uncertainty regarding the Company's financial condition, substantial doubt exists about the Company's ability to continue as a going concern," and that it is exploring alternatives to its capital structure. Moreover, the Company held 24 bitcoins, compared to 1,051 bitcoins as of September 30, 2022.

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On this news, Core Scientific's stock fell 40.89, or 73.1%, to close at \$0.22 per share on October 27, 2022, on unusually high trading volume.

The complaint filed in this class action alleges that throughout the Class Period, Defendants made materially false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants failed to disclose to investors: (1) that, due in part to the expiration of a favorable pricing agreement, the Company was experiencing increasing power costs; (2) that the Company's largest customer, Gryphon, lacked the financial resources to purchase the necessary miner rigs for Core Scientific to host; (3) that the Company was not providing hosting services to Celsius as required by their contract; (4) that the Company had implemented an improper surcharge to pass through power costs to Celsius; (5) that, as a result of the foregoing alleged breaches of contract, the Company was reasonably likely to incur liability to defend itself against Celsius; (6) that, as a result of the foregoing, the Company's profitability would be adversely impacted; (7) that, as a result, there was likely substantial doubt as to the Company's ability to continue as a going concern; and (8) as a result, Defendants' statements about its business, operations, and prospects were materially false and misleading and/or lacked reasonable basis at all relevant times.

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If you purchased or otherwise acquired Core Scientific securities during the Class Period, you may move the Court no later than **60 days from this notice** to ask the Court to appoint you as lead plaintiff. To be a member of the Class you need not take any action at this time; you may retain counsel of your choice or take no action and remain an absent member of the Class. If you wish to learn more about this action, or if you have any questions concerning this announcement or your rights or interests with respect to these matters, please contact Charles Linehan, Esquire, of GPM, 1925 Century Park East, Suite 2100, Los Angeles California 90067 at 310-201-9150, Toll-Free at 888-773-9224, by email to shareholders@glancylaw.com, or visit our website at www.glancylaw.com. If you inquire by email please include your mailing address, telephone number and number of shares purchased.

This press release may be considered Attorney Advertising in some jurisdictions under the applicable law and ethical rules.

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